

103^D CONGRESS
2^D SESSION

H. R. 3345

AMENDMENT

In the Senate of the United States,

February 11 (legislative day, January 25), 1994.

Resolved, That the bill from the House of Representatives (H.R. 3345) entitled “An Act to provide temporary authority to Government agencies relating to voluntary separation incentive payments, and for other purposes”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***SEC. 1. SHORT TITLE.***

2 *This Act may be cited as the “Federal Workforce Re-*
3 *structuring Act of 1994”.*

4 ***SEC. 2. EMPLOYEE TRAINING.***

5 *(a) IN GENERAL.—Chapter 41 of title 5, United States*
6 *Code, is amended—*

7 *(1) in section 4101(4) by striking out “fields”*
8 *and all that follows through the semicolon and insert-*
9 *ing in lieu thereof “fields which will improve individ-*
10 *ual and organizational performance and assist in*
11 *achieving the agency’s mission and performance*
12 *goals;”;*

13 *(2) in section 4103—*

14 *(A) in subsection (a) by striking out “In”*
15 *and all that follows through “proficiency” and*

1 *inserting in lieu thereof “In order to assist in*
2 *achieving an agency’s mission and performance*
3 *goals by improving employee and organizational*
4 *performance”;* and

5 *(B) in subsection (b)—*

6 *(i) in paragraph (1) by striking out*
7 *“determines” and all that follows through*
8 *the period and inserting in lieu thereof “de-*
9 *termines that such training would be in the*
10 *interests of the Government.”;*

11 *(ii) by striking out paragraph (2) and*
12 *redesignating paragraph (3) as paragraph*
13 *(2); and*

14 *(iii) in subparagraph (C) of paragraph*
15 *(2) (as redesignated under clause (ii) of this*
16 *subparagraph) by striking out “retaining”*
17 *and all that follows through the period and*
18 *inserting in lieu thereof “such training.”;*

19 *(3) in section 4105—*

20 *(A) in subsection (a) by striking out “(a)”;*

21 *and*

22 *(B) by striking out subsections (b) and (c);*

23 *(4) by repealing section 4106;*

24 *(5) in section 4107—*

1 (A) *by amending the section heading to*
2 *read as follows:*

3 ***“§ 4107. Restriction on degree training”;***

4 (B) *by striking out subsections (a) and (b)*
5 *and redesignating subsections (c) and (d) as sub-*
6 *sections (a) and (b), respectively;*

7 (C) *by amending subsection (a) (as redesign-*
8 *ated under subparagraph (B) of this para-*
9 *graph)—*

10 (i) *by striking out “subsection (d)”*
11 *and inserting in lieu thereof “subsection*
12 *(b)”;* and

13 (ii) *by striking out “by, in, or through*
14 *a non-Government facility”;* and

15 (D) *by amending paragraph (1) of sub-*
16 *section (b) (as redesignated under subparagraph*
17 *(B) of this paragraph) by striking out “sub-*
18 *section (c)” and inserting in lieu thereof “sub-*
19 *section (a)”;*

20 (6) *in section 4108(a) by striking out “by, in, or*
21 *through a non-Government facility under this chap-*
22 *ter” and inserting in lieu thereof “for more than a*
23 *minimum period prescribed by the head of the agen-*
24 *cy”;*

1 (7) in section 4113(b) by striking out all that
2 follows the first sentence;

3 (8) by repealing section 4114; and

4 (9) in section 4118—

5 (A) in subsection (a)(7) by striking out “by,
6 in, and through non-Government facilities”;

7 (B) by striking out subsection (b); and

8 (C) by redesignating subsections (c) and (d)
9 as subsections (b) and (c), respectively.

10 (b) *TECHNICAL AND CONFORMING AMENDMENTS.*—

11 *The table of sections for chapter 41 of title 5, United States*
12 *Code, is amended—*

13 (1) by striking out the items relating to sections
14 4106 and 4114; and

15 (2) by amending the item relating to section
16 4107 to read as follows:

“4107. Restriction on degree training.”.

17 (c) *EFFECTIVE DATE.*—*The amendments made by this*
18 *section shall take effect on the date of enactment of this Act.*

19 ***SEC. 3. VOLUNTARY SEPARATION INCENTIVES.***

20 (a) *DEFINITIONS.*—*For purposes of this section, the*
21 *term—*

22 (1) “agency” means an Executive agency, as de-
23 fined under section 105 of title 5, United States Code,
24 but does not include the Department of Defense, the

1 *Central Intelligence Agency, or the General Account-*
2 *ing Office; and*

3 (2) “employee” means an employee, as defined
4 under section 2105 of title 5, United States Code, of
5 an agency, serving under an appointment without
6 time limitation, who has been currently employed for
7 a continuous period of at least 12 months, including
8 an individual employed by a county committee estab-
9 lished under section 8(b) of the Soil Conservation and
10 Domestic Allotment Act (16 U.S.C. 590h(b)), but does
11 not include—

12 (A) a reemployed annuitant under sub-
13 chapter III of chapter 83 or chapter 84 of title
14 5, United States Code, or another retirement sys-
15 tem for employees of the Government; or

16 (B) an employee having a disability on the
17 basis of which such employee is or would be eli-
18 gible for disability retirement under the applica-
19 ble retirement system referred to in subpara-
20 graph (A).

21 (b) *AUTHORITY TO MAKE PAYMENT.*—(1) In order to
22 assist in the restructuring of the Federal workforce while
23 minimizing involuntary separations, the head of an agency
24 may pay, or authorize the payment of, a voluntary separa-
25 tion incentive payment to employees—

1 (A) in any component of the agency;

2 (B) in any occupation;

3 (C) in any geographic location; or

4 (D) on the basis of any combination of the fac-
5 tors described under subparagraphs (A) through (C).

6 (2) In order to receive an incentive payment under
7 paragraph (1), an employee shall separate from service with
8 the agency (whether by retirement or resignation) during
9 the 90-day period described under paragraph (3).

10 (3) The head of an agency shall designate a continuous
11 90-day period for purposes of separation under this sub-
12 section for such agency or any component thereof. Such 90-
13 day period shall begin no earlier than the date of the enact-
14 ment of this Act and shall end no later than March 31,
15 1995.

16 (4) Notwithstanding the provisions of paragraphs (2)
17 and (3), an employee may receive an incentive payment
18 under this section and delay a separation from service if—

19 (A) the agency head determines that it is nec-
20 essary to delay such employee's separation from serv-
21 ice in order to ensure the performance of the agency's
22 mission; and

23 (B) no later than 2 years after the date of the
24 last day of the 90-day period designated under para-

1 *graph (3), such employee separates from service in the*
2 *agency.*

3 (c) *VOLUNTARY SEPARATION INCENTIVE PAYMENT.*—

4 *A voluntary separation incentive payment—*

5 (1) *shall be paid in a lump sum after the em-*
6 *ployee's separation;*

7 (2) *shall be equal to the lesser of—*

8 (A) *an amount equal to the amount the em-*
9 *ployee would be entitled to receive under section*
10 *5595(c) of title 5, United States Code, if the em-*
11 *ployee were entitled to payment under such sec-*
12 *tion; or*

13 (B) *\$25,000;*

14 (3) *shall not be a basis for payment, and shall*
15 *not be included in the computation, of any other type*
16 *of Government benefit;*

17 (4) *shall not be taken into account in determin-*
18 *ing the amount of any severance pay to which an em-*
19 *ployee may be entitled under section 5595 of title 5,*
20 *United States Code, based on any other separation;*
21 *and*

22 (5) *shall be paid from appropriations or funds*
23 *available for the payment of the basic pay of the em-*
24 *ployee.*

1 (d) *SUBSEQUENT EMPLOYMENT AND REPAYMENT OF*
2 *INCENTIVE PAYMENT.*—(1) *An employee who has received*
3 *a voluntary separation incentive payment under this sec-*
4 *tion and accepts employment with the Government of the*
5 *United States within 5 years of the date of the separation*
6 *on which payment of the incentive is based shall be required*
7 *to repay the entire amount of the incentive payment to the*
8 *agency that paid the incentive payment.*

9 (2) *If the employment is with an Executive agency (as*
10 *defined under section 105 of title 5, United States Code),*
11 *the Director of the Office of Personnel Management may,*
12 *at the request of the head of the agency, waive the repay-*
13 *ment if the employment is in a position for which there*
14 *is exceptional difficulty in recruiting a qualified employee.*

15 (3) *If the employment is with an entity in the legisla-*
16 *tive branch, the head of the entity or the appointing official*
17 *may waive the repayment if the employment is in a posi-*
18 *tion for which there is exceptional difficulty in recruiting*
19 *a qualified employee.*

20 (4) *If the employment is with the judicial branch, the*
21 *Director of the Administrative Office of the United States*
22 *Courts may waive the repayment if the employment is in*
23 *a position for which there is exceptional difficulty in re-*
24 *cruiting a qualified employee.*

1 (e) *REGULATIONS.*—*The Director of the Office of Per-*
2 *sonnel Management may prescribe any regulations nec-*
3 *essary for the administration of this section.*

4 (f) *JUDICIAL BRANCH PROGRAM.*—*The Director of the*
5 *Administrative Office of the United States Courts may, by*
6 *regulation, establish a program consistent with the program*
7 *established by subsections (a) through (d) of this section for*
8 *employees of the judicial branch.*

9 (g) *REDUCTION OF FULL-TIME EQUIVALENT POSI-*
10 *TIONS.*—(1) *The President or his designee shall take such*
11 *action as he determines necessary to ensure that, no later*
12 *than September 30, 1995, employment in the executive*
13 *branch is reduced by at least 1 full-time equivalent position*
14 *for each voluntary separation incentive payment paid*
15 *under this section.*

16 (2) *No later than December 1, 1995, the President or*
17 *his designee shall report to the Congress on the implementa-*
18 *tion of this subsection.*

19 (h) *LIMITATION ON PROCUREMENT OF SERVICE CON-*
20 *TRACTS.*—*The President shall take appropriate action to*
21 *ensure that there is no increase in the procurement of serv-*
22 *ice contracts by reason of the enactment of this section ex-*
23 *cept in cases in which a cost comparison demonstrates such*
24 *contracts would be to the financial advantage of the Federal*
25 *Government.*

1 **SEC. 4. SUBSEQUENT EMPLOYMENT AND REPAYMENT OF**
2 **SEPARATION PAYMENT.**

3 (a) *DEFENSE AGENCY SEPARATION PAY.*—Section
4 5597 of title 5, United States Code, is amended by adding
5 at the end thereof the following new subsection:

6 “(g)(1) An employee who receives separation pay
7 under this section on the basis of a separation occurring
8 on or after the date of enactment of the Federal Workforce
9 Restructuring Act of 1994 and accepts employment with the
10 Government of the United States within 5 years of the date
11 of the separation on which payment of the separation pay
12 is based shall be required to repay the entire amount of
13 the separation pay to the defense agency that paid the sepa-
14 ration pay.

15 “(2) If the employment is with an Executive agency
16 (as defined under section 105 of title 5, United States Code),
17 the Director of the Office of Personnel Management may,
18 at the request of the head of the agency, waive the repay-
19 ment if the employment is in a position for which there
20 is exceptional difficulty in recruiting a qualified employee.

21 “(3) If the employment is with an entity in the legisla-
22 tive branch, the head of the entity or the appointing official
23 may waive the repayment if the employment is in a posi-
24 tion for which there is exceptional difficulty in recruiting
25 a qualified employee.

1 “(4) If the employment is with the judicial branch, the
2 Director of the Administrative Office of the United States
3 Courts may waive the repayment if the employment is in
4 a position for which there is exceptional difficulty in re-
5 cruiting a qualified employee.”.

6 (b) CENTRAL INTELLIGENCE AGENCY SEPARATION
7 PAYMENT.—Section 2(b) of the Central Intelligence Agency
8 Voluntary Separation Pay Act (Public Law 103–36; 107
9 Stat. 104) is amended by adding at the end thereof the fol-
10 lowing: “An employee who receives separation pay under
11 this section on the basis of a separation occurring on or
12 after the date of the enactment of the Federal Workforce Re-
13 structuring Act of 1994 and accepts employment with the
14 Government of the United States within 5 years of the date
15 of the separation on which payment of the separation pay
16 is based shall be required to repay the entire amount of
17 the separation pay to the Central Intelligence Agency. If
18 the employment is with an Executive agency (as defined
19 under section 105 of title 5, United States Code), the Direc-
20 tor of the Office of Personnel Management may, at the re-
21 quest of the head of the agency, waive the repayment if the
22 employment is in a position for which there is exceptional
23 difficulty in recruiting a qualified employee. If the employ-
24 ment is with an entity in the legislative branch, the head
25 of the entity or the appointing official may waive the re-

1 *payment if the employment is in a position for which there*
 2 *is exceptional difficulty in recruiting a qualified employee.*
 3 *If the employment is with the judicial branch, the Director*
 4 *of the Administrative Office of the United States Courts*
 5 *may waive the repayment if the employment is in a posi-*
 6 *tion for which there is exceptional difficulty in recruiting*
 7 *a qualified employee.”.*

8 **SEC. 5. FUNDING OF EARLY RETIREMENTS IN CIVIL SERV-**
 9 **ICE RETIREMENT SYSTEM.**

10 (a) *IN GENERAL.*—Section 8334 of title 5, United
 11 States Code, is amended by adding at the end thereof the
 12 following new subsections:

13 “(l) *In addition to any other payments required by*
 14 *this subchapter, an agency shall remit to the Office for de-*
 15 *posit in the Treasury of the United States to the credit of*
 16 *the Fund an amount equal to 9 percent of the final rate*
 17 *of basic pay of each employee of the agency who retires*
 18 *under section 8336(d).*

19 “(m) *In addition to any other payments required by*
 20 *law, an agency shall remit to the Office of Personnel Man-*
 21 *agement for deposit in the Treasury of the United States*
 22 *to the credit of the Civil Service Retirement and Disability*
 23 *Fund an amount equal to 17 percent of the final basic pay*
 24 *of each employee of the agency who receives a voluntary*
 25 *separation incentive payment under this section and who*

1 *is eligible, upon separation, for an immediate annuity*
 2 *under subchapter III of chapter 83 or chapter 84 of title*
 3 *5, United States Code.”.*

4 (b) *EFFECTIVE DATE.*—*The amendment made by this*
 5 *section shall apply with respect to retirements occurring on*
 6 *or after the date of the enactment of this Act.*

7 ***SEC. 6. REDUCTION OF FEDERAL FULL-TIME EQUIVALENT***
 8 ***POSITIONS.***

9 (a) *DEFINITION.*—*For purposes of this section, the*
 10 *term “agency” means an Executive agency as defined under*
 11 *section 105 of title 5, United States Code, but does not in-*
 12 *clude the General Accounting Office.*

13 (b) *LIMITATIONS ON FULL-TIME EQUIVALENT POSI-*
 14 *TIONS.*—*The President, through the Office of Management*
 15 *and Budget (in consultation with the Office of Personnel*
 16 *Management), shall ensure that the total number of full-*
 17 *time equivalent positions in all agencies shall not exceed—*

18 (1) *2,095,182 during fiscal year 1994;*

19 (2) *2,044,100 during fiscal year 1995;*

20 (3) *2,003,846 during fiscal year 1996;*

21 (4) *1,963,593 during fiscal year 1997;*

22 (5) *1,923,339 during fiscal year 1998; and*

23 (6) *1,883,086 during fiscal year 1999.*

1 (c) *MONITORING AND NOTIFICATION.*—*The Office of*
2 *Management and Budget, after consultation with the Office*
3 *of Personnel Management, shall—*

4 (1) *continuously monitor all agencies and make*
5 *a determination on the first date of each quarter of*
6 *each applicable fiscal year of whether the require-*
7 *ments under subsection (b) are met; and*

8 (2) *notify the President and the Congress on the*
9 *first date of each quarter of each applicable fiscal*
10 *year of any determination that any requirement of*
11 *subsection (b) is not met.*

12 (d) *COMPLIANCE.*—*If at any time during a fiscal year,*
13 *the Office of Management and Budget notifies the President*
14 *and the Congress that any requirement under subsection (b)*
15 *is not met, no agency may hire any employee for any posi-*
16 *tion in such agency until the Office of Management and*
17 *Budget notifies the President and the Congress that the total*
18 *number of full-time equivalent positions for all agencies*
19 *equals or is less than the applicable number required under*
20 *subsection (b).*

21 (e) *WAIVER.*—*Any provision of this section may be*
22 *waived upon—*

23 (1) *a determination by the President of the exist-*
24 *ence of war or a national emergency; or*

1 (2) the enactment of a joint resolution upon an
 2 affirmative vote of three-fifths of the Members of each
 3 House of the Congress duly chosen and sworn.

4 **SEC. 7. CREATION OF VIOLENT CRIME REDUCTION TRUST**
 5 **FUND.**

6 (a) *ESTABLISHMENT OF THE ACCOUNT.*—Chapter 11
 7 of title 31, United States Code, is amended by inserting
 8 at the end thereof the following new section:

9 **“§ 1115. Violent crime reduction trust fund**

10 “(a) There is established a separate account in the
 11 Treasury, known as the ‘Violent Crime Reduction Trust
 12 Fund’, into which shall be deposited deficit reduction
 13 achieved by section 1321B of the Violent Crime Control and
 14 Law Enforcement Act of 1993 sufficient to fund that Act
 15 (as defined in subsection (b) of this section).

16 “(b) On the first day of the following fiscal years (or
 17 as soon thereafter as possible for fiscal year 1994), the fol-
 18 lowing amounts shall be transferred from the general fund
 19 to the Violent Crime Reduction Trust Fund—

20 “(1) for fiscal year 1994, \$720,000,000;

21 “(2) for fiscal year 1995, \$2,423,000,000;

22 “(3) for fiscal year 1996, \$4,267,000,000;

23 “(4) for fiscal year 1997, \$6,313,000,000; and

24 “(5) for fiscal year 1998, \$8,545,000,000.

25 “(c) Notwithstanding any other provision of law—

1 “(1) the amounts in the Violent Crime Reduction
 2 Trust Fund may be appropriated exclusively for the
 3 purposes authorized in the Violent Crime Control and
 4 Law Enforcement Act of 1993;

5 “(2) the amounts in the Violent Crime Reduction
 6 Trust Fund and appropriations under paragraph (1)
 7 of this section shall be excluded from, and shall not
 8 be taken into account for purposes of, any budget en-
 9 forcement procedures under the Congressional Budget
 10 Act of 1974 or the Balanced Budget and Emergency
 11 Deficit Control Act of 1985; and

12 “(3) for purposes of this subsection, ‘appropria-
 13 tions under paragraph (1)’ mean amounts of budget
 14 authority not to exceed the balances of the Violent
 15 Crime Reduction Trust Fund and amounts of outlays
 16 that flow from budget authority actually appro-
 17 priated.”.

18 (b) LISTING OF THE VIOLENT CRIME REDUCTION
 19 TRUST FUND AMONG GOVERNMENT TRUST FUNDS.—Sec-
 20 tion 1321(a) of title 31, United States Code, is amended
 21 by inserting at the end thereof the following new paragraph:

22 “(91) Violent Crime Reduction Trust Fund.”.

23 (c) REQUIREMENT FOR THE PRESIDENT TO REPORT
 24 ANNUALLY ON THE STATUS OF THE ACCOUNT.—Section

1 1105(a) of title 31, United States Code, is amended by add-
2 ing at the end thereof:

3 “(29) Information about the Violent Crime Re-
4 duction Trust Fund, including a separate statement
5 of amounts in that Trust Fund.

6 “(30) An analysis displaying by agency pro-
7 posed reductions in full-time equivalent positions
8 compared to the current year’s level in order to com-
9 ply with section 6 of the Federal Workforce Restruc-
10 turing Act of 1994.”.

11 **SEC. 8. CONFORMING REDUCTION IN DISCRETIONARY**
12 **SPENDING LIMITS.**

13 *The Director of the Office of Management and Budget*
14 *shall, upon enactment of this Act, reduce the discretionary*
15 *spending limits set forth in section 601(a)(2) of the Con-*
16 *gressional Budget Act of 1974 for fiscal years 1994 through*
17 *1998 as follows:*

18 (1) *for fiscal year 1994, for the discretionary*
19 *category: \$720,000,000 in new budget authority and*
20 *\$314,000,000 in outlays;*

21 (2) *for fiscal year 1995, for the discretionary*
22 *category: \$2,423,000,000 in new budget authority and*
23 *\$2,330,000,000 in outlays;*

1 (3) for fiscal year 1996, for the discretionary
2 category: \$4,287,000,000 in new budget authority and
3 \$4,184,000,000 in outlays;

4 (4) for fiscal year 1997, for the discretionary
5 category: \$6,313,000,000 in new budget authority and
6 \$6,221,000,000 in outlays; and

7 (5) for fiscal year 1998, for the discretionary
8 category: \$8,545,000,000 in new budget authority and
9 \$8,443,000,000 in outlays.

10 **SEC. 9. STANDARDIZATION OF WITHDRAWAL OPTIONS FOR**
11 **THRIFT SAVINGS PLAN PARTICIPANTS.**

12 (a) *PARTICIPATION IN THE THRIFT SAVINGS PLAN.*—
13 Section 8351(b) of title 5, United States Code, is amend-
14 ed—

15 (1) by amending paragraph (4) to read as fol-
16 lows:

17 “(4) Section 8433(b) of this title applies to any
18 employee or Member who elects to make contributions
19 to the Thrift Savings Fund under subsection (a) of
20 this section and separates from Government employ-
21 ment.”;

22 (2) by striking out paragraphs (5), (6), and (8);

23 (3) by redesignating paragraphs (7), (9), and
24 (10) as paragraphs (5), (6), and (7), respectively;

1 (4) in paragraph (5)(C) (as redesignated under
2 paragraph (3) of this subsection) by striking out “or
3 former spouse” in both places it appears;

4 (5) by amending paragraph (6) (as redesignated
5 under paragraph (3) of this subsection) to read as fol-
6 lows:

7 “(6) Notwithstanding paragraph (4), if an em-
8 ployee or Member separates from Government employ-
9 ment and such employee’s or Member’s nonforfeitable
10 account balance is \$3,500 or less, the Executive Direc-
11 tor shall pay the nonforfeitable account balance to the
12 participant in a single payment unless the employee
13 or Member elects, at such time and otherwise in such
14 manner as the Executive Director prescribes, one of
15 the options available under subsection (b).”; and

16 (6) in paragraph (7) (as redesignated under
17 paragraph (3) of this subsection) by striking out
18 “nonforfeiture” and inserting in lieu thereof “non-
19 forfeitable”.

20 (b) BENEFITS AND ELECTION OF BENEFITS.—Section
21 8433 of title 5, United States Code, is amended—

22 (1) in subsection (b) by striking out the matter
23 before paragraph (1) and inserting in lieu thereof
24 “Subject to section 8435 of this title, any employee or
25 Member who separates from Government employment

1 *entitled to an annuity under subchapter II of this*
 2 *chapter or any employee or Member who separates*
 3 *from Government employment is entitled and may*
 4 *elect—”;*

5 *(2) by striking out subsections (c) and (d) and*
 6 *redesignating subsections (e), (f), (g), (h), and (i) as*
 7 *subsections (c), (d), (e), (f), and (g), respectively;*

8 *(3) in subsection (c)(1) (as redesignated under*
 9 *paragraph (2) of this subsection) by striking out “or*
 10 *(c)(4) or required under subsection (d) directly to an*
 11 *eligible retirement plan or plans) (as defined in sec-*
 12 *tion 402(a)(5)(E) of the Internal Revenue Code of*
 13 *1954)” and inserting in lieu thereof “directly to an*
 14 *eligible retirement plan or plans (as defined in sec-*
 15 *tion 402(c)(8) of the Internal Revenue Code of 1986)”;*

16 *(4) in subsection (d)(2) (as redesignated under*
 17 *paragraph (2) of this subsection) by striking out “or*
 18 *(c)(2)”;* and

19 *(5) in subsection (f) (as redesignated under*
 20 *paragraph (2) of this subsection)—*

21 *(A) by striking out paragraph (1) and re-*
 22 *designating paragraphs (2) and (3) as para-*
 23 *graphs (1) and (2), respectively; and*

24 *(B) in paragraph (1) (as redesignated*
 25 *under subparagraph (A) of this paragraph)—*

1 (i) by striking out “Notwithstanding
2 subsections (b) and (c), if an employee or
3 Member separates from Government employ-
4 ment under circumstances making such an
5 employee or Member eligible to make an
6 election under either of those subsections,
7 and such employee’s or Member’s” and in-
8 serting in lieu thereof “Notwithstanding
9 subsection (b), if an employee or Member
10 separates from Government employment,
11 and such employee’s or Member’s”; and

12 (ii) by striking out “or (c), as applica-
13 ble”; and

14 (C) in paragraph (2) (as redesignated
15 under subparagraph (A) of this paragraph) by
16 striking out “paragraphs (1) and (2)” and in-
17 serting in lieu thereof “paragraph (1)”.

18 (c) ANNUITIES: METHODS OF PAYMENT; ELECTION;
19 PURCHASE.—Section 8434(c) of title 5, United States Code,
20 is amended to read as follows:

21 “(c) Notwithstanding an elimination of a method of
22 payment by the Board an employee, Member, former em-
23 ployee, or former Member may elect the eliminated method
24 if the elimination of such method became effective less than
25 5 years before the date on which annuity commences.”.

1 (d) *PROTECTIONS FOR SPOUSES AND FORMER*
 2 *SPOUSES.*—Section 8435 of title 5, United States Code, is
 3 amended—

4 (1) in subsection (a)(1)(A) by striking out “sub-
 5 section (b)(3), (b)(4), (c)(3), or (c)(4) of section 8433
 6 of this title or change an election previously made
 7 under subsection (b)(1), (b)(2), (c)(1), or (c)(2)” and
 8 inserting in lieu thereof “subsection (b)(3) or (b)(4) of
 9 section 8433 of this title or change an election pre-
 10 viously made under subsection (b)(1) or (b)(2)”;

11 (2) by striking out subsection (b);

12 (3) by redesignating subsections (c), (d), (e), (f),
 13 (g), (h), and (i) as subsections (b), (c), (d), (e), (f),
 14 (g), and (h), respectively;

15 (4) in subsection (b) (as redesignated under
 16 paragraph (3) of this subsection) by amending para-
 17 graph (2) to read as follows:

18 “(2) Paragraph (1) shall not apply, if—

19 “(A) a joint waiver of such method is made,
 20 in writing, by the employee or Member and the
 21 spouse; or

22 “(B) the employee or Member waives such
 23 method, in writing, after establishing to the sat-
 24 isfaction of the Executive Director that cir-
 25 cumstances described under subsection (a)(2) (A)

1 or (B) make the requirement of a joint waiver
2 inappropriate.”; and

3 (5) in subsection (c)(1) (as redesignated under
4 paragraph (3) of this subsection) by striking out “and
5 a transfer may not be made under section 8433(d) of
6 this title”.

7 (e) *JUSTICES AND JUDGES*.—Section 8440a(b) of title
8 5, *United States Code*, is amended—

9 (1) in paragraph (5) by striking out “Section
10 8433(d)” and inserting in lieu thereof “Section
11 8433(b)”;

12 (2) by striking out paragraphs (7) and (8) and
13 inserting in lieu thereof the following:

14 “(7) Notwithstanding paragraphs (4) and (5), if
15 any justice or judge retires under subsection (a) or (b)
16 of section 371 or section 372(a) of title 28, or resigns
17 without having met the age and service requirements
18 set forth under section 371(c) of title 28, and such jus-
19 tice’s or judge’s nonforfeitable account balance is
20 \$3,500 or less, the Executive Director shall pay the
21 nonforfeitable account balance to the participant in a
22 single payment unless the justice or judge elects, at
23 such time and otherwise in such manner as the Exec-
24 utive Director prescribes, one of the options available
25 under section 8433(b).”.

1 (f) *BANKRUPTCY JUDGES AND MAGISTRATES*.—*Sec-*
2 *tion 8440b of title 5, United States Code, is amended—*

3 (1) *in subsection (b)(4) by amending subpara-*
4 *graph (B) to read as follows:*

5 “(B) *Section 8433(b) of this title applies to*
6 *any bankruptcy judge or magistrate who elects to*
7 *make contributions to the Thrift Savings Fund*
8 *under subsection (a) of this section and who re-*
9 *tires before attaining age 65 but is entitled, upon*
10 *attaining age 65, to an annuity under section*
11 *377 of title 28 or section 2(c) of the Retirement*
12 *and Survivors Annuities for Bankruptcy Judges*
13 *and Magistrates Act of 1988.”;*

14 (2) *in subsection (b)(4)(C) by striking out “Sec-*
15 *tion 8433(d)” and inserting in lieu thereof “Section*
16 *8433(b)”;*

17 (3) *in subsection (b)(5) by striking out “retire-*
18 *ment under section 377 of title 28 is” and inserting*
19 *in lieu thereof “any of the actions described under*
20 *paragraph (4) (A), (B), or (C) shall be considered”;*

21 (4) *in subsection (b) by striking out paragraph*
22 *(8) and redesignating paragraph (9) as paragraph*
23 *(8); and*

24 (5) *in paragraph (8) of subsection (b) (as redes-*
25 *ignated under paragraph (4) of this subsection)—*

1 (A) by striking out “Notwithstanding sub-
2 paragraphs (A) and (B) of paragraph (4), if any
3 bankruptcy judge or magistrate retires under cir-
4 cumstances making such bankruptcy judge or
5 magistrate eligible to make an election under
6 subsection (b) or (c)” and inserting in lieu there-
7 of “Notwithstanding paragraph (4), if any bank-
8 ruptcy judge or magistrate retires under cir-
9 cumstances making such bankruptcy judge or
10 magistrate eligible to make an election under
11 subsection (b)”;

12 (B) by striking out “and (c), as applicable”.

13 (g) *CLAIMS COURT JUDGES*.—Section 8440c of title 5,
14 *United States Code*, is amended—

15 (1) in subsection (b)(4)(B) by striking out “Sec-
16 tion 8433(d)” and inserting in lieu thereof “Section
17 8433(b)”;

18 (2) in subsection (b)(5) by striking out “retire-
19 ment under section 178 of title 28, is” and inserting
20 in lieu thereof “any of the actions described in para-
21 graph (4) (A) or (B) shall be considered”;

22 (3) in subsection (b) by striking out paragraph
23 (8) and redesignating paragraph (9) as paragraph
24 (8); and

1 (4) in paragraph (8) (as redesignated under
2 paragraph (3) of this subsection) by striking out
3 “Notwithstanding paragraph (4)(A)” and inserting
4 in lieu thereof “Notwithstanding paragraph (4)”.

5 (h) JUDGES OF THE UNITED STATES COURT OF VET-
6 ERANS APPEALS.—Section 8440d(b)(5) of title 5, United
7 States Code, is amended by striking out “A transfer shall
8 be made as provided under section 8433(d) of this title”
9 and inserting in lieu thereof “Section 8433(b) of this title
10 applies”.

11 (i) TECHNICAL AND CONFORMING AMENDMENTS.—
12 Chapters 83 and 84 of title 5, United States Code, are
13 amended—

14 (1) in section 8351(b)(5)(B) (as redesignated
15 under subsection (a)(3) of this section) by striking out
16 “section 8433(i)” and inserting in lieu thereof “sec-
17 tion 8433(g)”;

18 (2) in section 8351(b)(5)(D) (as redesignated
19 under subsection (a)(3) of this section) by striking out
20 “section 8433(i)” and inserting in lieu thereof “sec-
21 tion 8433(g)”;

22 (3) in section 8433(b)(4) by striking out “sub-
23 section (e)” and inserting in lieu thereof “subsection
24 (c)”;

1 (4) in section 8433(d)(1) (as redesignated under
2 subsection (b)(2) of this section) by striking out “(d)
3 of section 8435” and inserting in lieu thereof “(c) of
4 section 8435”;

5 (5) in section 8433(d)(2) (as redesignated under
6 subsection (b)(2) of this section) by striking out “sec-
7 tion 8435(d)” and inserting in lieu thereof “section
8 8435(c)”;

9 (6) in section 8433(e) (as redesignated under
10 subsection (b)(2) of this section) by striking out “sec-
11 tion 8435(d)(2)” and inserting in lieu thereof “section
12 8435(c)(2)”;

13 (7) in section 8433(g)(5) (as redesignated under
14 subsection (b)(2) of this section) by striking out “sec-
15 tion 8435(f)” and inserting in lieu thereof “section
16 8435(e)”;

17 (8) in section 8434(b) by striking out “section
18 8435(c)” and inserting in lieu thereof “section
19 8435(b)”;

20 (9) in section 8435(a)(1)(B) by striking out
21 “subsection (c)” and inserting in lieu thereof “sub-
22 section (b)”;

23 (10) in section 8435(d)(1)(B) (as redesignated
24 under subsection (d)(3) of this section) by striking out

1 *“subsection (d)(2)” and inserting in lieu thereof “sub-*
2 *section (c)(2)”;*

3 *(11) in section 8435(d)(3)(A) (as redesignated*
4 *under subsection (d)(3) of this section) by striking out*
5 *“subsection (c)(1)” and inserting in lieu thereof “sub-*
6 *section (b)(1)”;*

7 *(12) in section 8435(d)(6) (as redesignated under*
8 *subsection (d)(3) of this section) by striking out “or*
9 *(c)(2)” and inserting in lieu thereof “or (b)(2)”;*

10 *(13) in section 8435(e)(1)(A) (as redesignated*
11 *under subsection (d)(3) of this section) by striking out*
12 *“section 8433(i)” and inserting in lieu thereof “sec-*
13 *tion 8433(g)”;*

14 *(14) in section 8435(e)(2) (as redesignated under*
15 *subsection (d)(3) of this section) by striking out “sec-*
16 *tion 8433(i) of this title shall not be approved if ap-*
17 *proval would have the result described in subsection*
18 *(d)(1)” and inserting in lieu thereof “section 8433(g)*
19 *of this title shall not be approved if approval would*
20 *have the result described under subsection (c)(1)”;*

21 *(15) in section 8435(g) (as redesignated under*
22 *subsection (d)(3) of this section) by striking out “sec-*
23 *tion 8433(i)” and inserting in lieu thereof “section*
24 *8433(g)”;*

1 (16) in section 8437(c)(5) by striking out “sec-
 2 tion 8433(i)” and inserting in lieu thereof “section
 3 8433(g)”;

4 (17) in section 8440a(b)(6) by striking out “sec-
 5 tion 8351(b)(7)” and inserting in lieu thereof “section
 6 8351(b)(5)”.

7 (j) *INTERIM PROVISION.*—Section 8433(d) of title 5,
 8 United States Code, is amended by striking out “shall
 9 transfer the amount of the balance” and inserting in lieu
 10 thereof “may transfer the amount of the balance”.

11 (k) *EFFECTIVE DATES.*—(1) Except as provided in
 12 paragraph (2), the provisions of this section shall take effect
 13 1 year after the date of enactment of this Act or upon such
 14 other date as the Executive Director of the Federal Retire-
 15 ment Thrift Investment Board shall provide in regulation.

16 (2) The provisions of subsection (j) of this section shall
 17 take effect upon the date of the enactment of this Act.

18 **SEC. 10. AMENDMENTS TO ALASKA RAILROAD TRANSFER**
 19 **ACT OF 1982 REGARDING FORMER FEDERAL**
 20 **EMPLOYEES.**

21 (a) *APPLICABILITY OF VOLUNTARY SEPARATION IN-*
 22 *CENTIVES TO CERTAIN FORMER FEDERAL EMPLOYEES.*—
 23 Section 607(a) of the Alaska Railroad Transfer Act of 1982
 24 (45 U.S.C. 1206(a)) is amended by adding at the end there-
 25 of the following new paragraph:

1 “(4)(A) *The State-owned railroad shall be in-*
2 *cluded in the definition of ‘agency’ for purposes of*
3 *section 3 (a), (b), (c), and (e) and section 5 of the*
4 *Federal Workforce Restructuring Act of 1994 and*
5 *may elect to participate in the voluntary separation*
6 *incentive program established under such Act. Any*
7 *employee of the State-owned railroad who meets the*
8 *qualifications as described under the first sentence of*
9 *paragraph (1) shall be deemed an employee under*
10 *such Act.*

11 “(B) *An employee who has received a voluntary*
12 *separation incentive payment under this paragraph*
13 *and accepts employment with the State-owned rail-*
14 *road within 5 years of the date of separation on*
15 *which payment of the incentive is based shall be re-*
16 *quired to repay the entire amount of the incentive*
17 *payment unless the head of the State-owned railroad*
18 *determines that the employment is in a position for*
19 *which there is exceptional difficulty in recruiting a*
20 *qualified employee and waives the repayment.”.*

21 ***(b) LIFE AND HEALTH INSURANCE BENEFITS.—***
22 *Section 607 of the Alaska Railroad Transfer Act of 1982 (45*
23 *U.S.C. 1206) is amended by striking out subsection (e) and*
24 *inserting in lieu thereof the following:*

1 “(e)(1) Any person described under the provisions of
2 paragraph (2) may elect life insurance coverage under
3 chapter 87 of title 5, United States Code, and enroll in a
4 health benefits plan under chapter 89 of title 5, United
5 States Code, in accordance with the provisions of this sub-
6 section.

7 “(2) The provisions of paragraph (1) shall apply to
8 any person who—

9 “(A) on the date of the enactment of the Federal
10 Workforce Restructuring Act of 1994, is an employee
11 of the State-owned railroad;

12 “(B) has 20 years or more of service (in the civil
13 service as a Federal employee or as an employee of
14 the State-owned railroad, combined) on the date of re-
15 tirement from the State-owned railroad; and

16 “(C)(i) was covered under a life insurance policy
17 pursuant to chapter 87 of title 5, United States Code,
18 on January 4, 1985, for the purpose of electing life
19 insurance coverage under the provisions of paragraph
20 (1); or

21 “(ii) was enrolled in a health benefits plan pur-
22 suant to chapter 89 of title 5, United States Code, on
23 January 4, 1985, for the purpose of enrolling in a
24 health benefits plan under the provisions of para-
25 graph (1).

1 “(3) For purposes of this section, any person described
2 under the provisions of paragraph (2) shall be deemed to
3 have been covered under a life insurance policy under chap-
4 ter 87 of title 5, United States Code, and to have been en-
5 rolled in a health benefits plan under chapter 89 of title
6 5, United States Code, during the period beginning on Jan-
7 uary 5, 1985, through the date of retirement of any such
8 person.

9 “(4) The provisions of paragraph (1) shall not apply
10 to any person described under paragraph (2) until the date
11 such person retires from the State-owned railroad.”.

Attest:

Secretary.

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HR 3345 EAS——3

HR 3345 EAS——4

HR 3345 EAS——5

HR 3345 EAS——6